

# STATE OF COLORADO

## DIVISION OF HOUSING

Kathi Williams, Director

**STATE HOUSING BOARD MEETING**  
**Centennial Building**  
**1313 Sherman St., Denver, CO, Room 318**  
**Tuesday, December 9, 2008**



### AGENDA

2:00 p.m.	Convene SHB Meeting - Approval of Minutes	Theo Gregory
	Director's Comments	Kathi Williams

### Application Presentations

<u>Time</u>	<u>Project #</u>	<u>Project Name and Applicant</u>	<u>Presenters</u>
2:15 p.m.	07-054	Volunteers of America Denver Living Center Apartments	Rick Hanger & Dianna Kunz

### Approval Process

2:30 p.m.	07-054
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### Other Business

2:45 p.m.	Application Minimum Criteria	Teresa Duran
3:00 p.m.	Competitive Application Cycle	Teresa Duran
3:15 p.m.	Consolidated Plan Annual Funding Priorities	Teresa Duran
3:30 p.m.	Energy Standards Policy	Teresa Duran
3:45 p.m.	Budget Reports	Antoniette Estrada / Rick Hanger

*Reasonable accommodation will be provided upon request for persons with disabilities. If you are a person with a disability who requires an accommodation to participate in this public meeting, please notify Trang Van at (303) 866-5154 by December 8, 2008.*

cc:	Susan Kirkpatrick	CHATS	Teresa Duran	Kathi Williams
	Rick Hanger	Lynn Shine	Steve Bernia	State Housing Board Members

**STATE HOUSING BOARD MINUTES**  
**Colorado Division of Housing**  
**1313 Sherman St., Denver, CO, Room 318**  
**Monday, November 10, 2008**

**BOARD MEMBERS PRESENT:** Suzanne Anarde, Theo Gregory, Sally Hatcher, Jack Kelly, Gene Lucero and Karen Weitkunat

**BOARD MEMBERS ABSENT:** Mike Rosser

**DOH STAFF PRESENT:** Rick Hanger, Shannon Picaso, Denise Selders, Robert Thompson, Trang Van, Bill Whaley and Kathi Williams

**CALL TO ORDER:** The meeting was called to order by Theo Gregory at 1:00 p.m.

**APPROVAL OF MINUTES:** Minutes of the September and October meetings were approved.

**DIRECTOR'S COMMENTS**

One of the things that was passed out before the meeting started was the most recent foreclosure report. DOH began tracking foreclosure numbers when we couldn't agree with Realty Track numbers. DOH contacts the counties directly to get the foreclosure numbers. What is really concerning is the number of sales, those that make it all the way through and is sold back to the bank or an investor. If you look at the sales numbers from the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarters, these numbers are starting to drop in certain counties. Adams, Denver and Weld counties had the greatest number of sales. Although Weld still remains at the top of the list, Adams and Denver counties have shown decreases. There is an increase in El Paso and Pueblo counties as well, which is also very concerning.

The State as a whole received \$53 million of the \$3.92 Billion for the Neighborhood Stabilization Program (NSP). DOH will receive \$34 million and Colorado Springs who received \$3.9 million has decided to turn their allocation over to the State to administer their pot of funds. A memorandum of understanding will be negotiated, it will basically indicate that Colorado Springs has two partner projects they're interested in having DOH purchase for them. Additionally, it was requested that the \$3.9 million be spent in Colorado Springs, which should not be a problem.

DOH requested Letters of Intent to apply for NSP, this will enable DOH to put together the Action Plan for HUD and it will include the types of uses that our communities would be interested in. Over forty Letters of Intent were received totaling more than \$204 million. The next step of this process is seeing which one of those plans came from local governments, non-profits and statewide applications (Habitat for Humanity, Consortium of Community Land Trust). We received Letters of Intent from City and County of Denver, Aurora and Adams County, all of whom received their own allocation of NSP funds. Basically, we're going through the rank in numbers as DOH is mandated by Federal Statute to put NSP funds in the areas of greatest need so we certainly will be ranking these applications of where they are and incorporating the greatest need. We are meeting now with the other parties who received their own allocations to compare applications so that we will not be funding the same application and to make sure DOH would not be

funding something that is contrary to what they want accomplished in their community. From that particular point, DOH will be asking for formal applications to go through the review process and then will go to the State Housing Board for approval or denial. To maximize the NSP funding, applicants will be analyzed as to whether they may be eligible under other funding sources such as CDBG or Mineral Impact funds.

## **APPLICATIONS REVIEWED IN NOVEMBER**

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**Housing Solutions for the Southwest (HSS)  
Housing Rehabilitation Program**

**Project Number: 09-005**

**Project Manager & Address:** Kim Welty, Executive Director,  
295 Girard St.  
Durango, CO 81303  
(970) 259-1086  
Fax (970) 259-2037  
kwelty@sw housingsolutions.com

**Project Description:** HSS is requesting a \$144,742 grant to fund salary, benefits and overhead for the rehabilitation program. This is a continuing program for this agency, which uses RLF funds to make loans for single-family owner-occupied rehabilitation in Archuleta, Dolores, La Plata, Montezuma, and San Juan Counties. San Juan County will sponsor pass through of CDBG funds. HSS has completed 6 rehab jobs in the last year with 5 others nearing completion, and proposes to complete 16 rehab jobs for the coming year.

**Staff Recommendation:** Full Funding

**Date of Meeting:** November 10, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Absent
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

**Crowley County – Tri-County Housing and CDC  
Home Construction Program**

**Project Number: 09-003**

**Project Manager & Address:** Ms. Ramona Stites  
Tri-County Housing and Community Development Organization  
P.O. Box 87  
Fowler, Colorado 81039  
(719) 263-5168 telephone  
[monie@tchcdc.org](mailto:monie@tchcdc.org)

**Project Description:** Crowley County, on behalf of the Tri-County Housing and Community Development Organization (TCHCDC), is requesting a grant of \$155,000 to provide a pilot a Homeownership New Construction and Acquisition/Rehabilitation/Resell Program for households at 80% of Area Median Income or less in Bent, Crowley and Otero counties. These grant funds will be used to provide five (5) low-interest loans of up to \$25,000 each to assist in the construction and financing of new single-family homes. The first mortgage for these homes will be provided through the Rural Home Loan Partnership Program (Rural Development) that will allow TCHCDC to be in first position on the home. The homes will be constructed on existing in-fill lots or subdivisions and will be modeled after the successful home designs of the RD Mutual Self-Help Housing Program.

**Staff Recommendation:** Partial Funding of \$93,000 for the completion of 3 homes

**Date of Meeting:** November 10, 2008

Anarde	Partial Funding per Staff Recommendation	Lucero	Partial Funding per Staff Recommendation
Gregory	Partial Funding per Staff Recommendation	Rosser	Absent
Hatcher	Partial Funding per Staff Recommendation	Weitkunat	Partial Funding per Staff Recommendation
Kelly	Partial Funding per Staff Recommendation		

**The Board approved Partial Funding per Staff Recommendation for this project. The Board would also like for the completion of the 3 homes to include the self-help component.**

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**Otero County/Tri-County Housing and Community Development  
Self-Help Housing Rehabilitation Program**

**Project Number: 09-009**

**Project Manager & Address:** Ms. Ramona Stites  
Tri-County Housing and Community Development Organization  
P.O. Box 87  
Fowler, Colorado 81039  
(719) 263-5168 telephone  
(719) 263-5460 fax  
[monie@tchcdc.org](mailto:monie@tchcdc.org)

**Project Description:** Otero County, on behalf of the Tri-County Housing and Community Development Organization (TCHCDC), is requesting a grant of \$275,000 to continue the funding of their three-county (Bent, Crowley and Otero) Self-Help, Single-family, Owner-Occupied Rehabilitation Program for households at 80% of Area Median Income or less. The new grant funds will be combined with other sources to provide low-interest loans for 10 self-help rehabilitation projects. These grant funds are combined with Rural Develop low-interest mortgages to assist first-time buyers become home owners. All households must attend first-time homebuyer training and contribute at least 20 hours a week of labor. This self-help housing rehabilitation program has received funding from the Colorado Division of Housing since 2005 and has completed a total of 20 homes to date.

**Staff Recommendation:** Full Funding

**Date of Meeting:** November 10, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Absent
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

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**Huerfano County/South Central Council of Governments  
Single-Family, Owner-Occupied Housing Rehabilitation Program**

**Project Number: 09-010**

**Project Manager & Address:** Priscilla Fraser  
300 Bonaventure Avenue  
Trinidad, Colorado 81082  
(719) 845-1133 telephone ext. 216  
(719) 845-1130 fax  
[pfraser@sccog.net](mailto:pfraser@sccog.net)

**Project Description:** Huerfano County, on behalf of the South Central Council of Governments (SCCOG), is requesting a grant of \$350,000 to continue the funding of their two-county (Huerfano and Las Animas) Single-Family, Owner-Occupied Rehabilitation Program. These grant funds will be used to provide low-interest loans for twenty (20) rehabilitation projects and five (5) essential repairs to households at 80% of the Area Median

Income in these counties. This rehabilitation program has received funding from the Colorado Division of Housing since 1987 and has completed the rehabilitation of over 412 homes.

**Staff Recommendation:** Full Funding

**Date of Meeting:** November 10, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Absent
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

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**Conejos County Housing Authority/Plaza Del Sol Manor, Inc.  
Plaza Del Sol Manor Apartments Rehabilitation**

**Project Number: 09-012**

**Project Manager & Address:** Ms. Simona Guillen  
Executive Director  
Conejos County Housing Authority  
P.O. Box 366  
La Jara, Colorado 81140  
719.274.5417 telephone  
719.274.0417 fax  
[Rabbit44@centurytel.net](mailto:Rabbit44@centurytel.net)

**Project Address:** 59 Calle Miller, La Jara, Colorado

**Project Description:** The Conejos County Housing Authority requests a \$265,000 CDBG grant for the rehabilitation of the Plaza del Sol Manor Apartments in La Jara, Colorado. This project was originally constructed in 1986 and contains a total of 26 one-bedroom units. This project was built utilizing the HUD 202 Direct Loan Program and is owned by a local, single-purpose non-profit organization (Plaza del Sol Manor, Inc.). This project is adjacent to the hospital, the central business district and the proposed new nursing home. In addition, bus transportation and case management services are available to the residents. The rehabilitation plan for this property is based on a 3<sup>rd</sup> party capital needs assessment and includes new roofs, shower conversions and window replacements. This property serves many households at less than 30% of the Area Median Income through the HUD rental assistance for 100% of the units in this project. The term of affordability for this project will be extended based on the receipt of these CDBG funds.

**Staff Recommendation:** Full Funding

**Date of Meeting:** November 10, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Absent
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

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**Housing Authority of the County of Montezuma (HACM)  
Brubaker Place Apartments**

**Project Number: 09-011**

**Project Manager & Address:** Terri Wheeler, Executive Director  
37 North Madison, Cortez, CO 81321  
(970) 565-3831  
[terriwheeler@beyondbb.com](mailto:terriwheeler@beyondbb.com)

**Project Address:** 2001 East Empire St., Cortez, CO

**Project Description:** HACM is requesting a \$950,000 grant to construct 48 units of low-income family apartments in the City of Cortez. The project will use permanent financing from a fixed-rate USDA loan, Low-Income Housing Tax Credits, an AHP grant, and owner equity from HACM. It will contain one one-bedroom, one two-bedroom, and one three-bedroom unit at 30 % AMI, as well as 3 one-bedroom, 10 two-bedroom, and 7 three-bedroom apartments affordable at or below 50% AMI. It will also contain 4 one-bedroom, 13 two-bedroom, and 8 three-bedroom units affordable at or below 60% AMI. The development will be located on 4 acres within one mile of employment, shopping, and schools and will include a community center building of about 2,500 square feet.

**Staff Recommendation:** Full Funding

**Date of Meeting:** November 10, 2008

Anarde	Full Funding as Amended	Lucero	Full Funding as Amended
Gregory	Full Funding as Amended	Rosser	Absent
Hatcher	Full Funding as Amended	Weitkunat	Full Funding as Amended
Kelly	Full Funding as Amended		

**The Board approved Full Funding as Amended for this project. The Board approved this project with the condition that the Project Performance Plan (PPP) will have a deadline of 3/31/09 with an extension available if needed, to determine whether the project will move forward, otherwise funds will be returned to DOH.**

## OTHER BUSINESS

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- **Fox Run Apartments - RLF request of \$64,000 – Denise Selders**
  - This project was originally funding with a CDBG funds, additional CDBG funds were put in to assist with the operating reserves.
  - Standing water and mold was identified in ten units which required full remediation along with another sixteen units that were identified as needing partial remediation.
  - Due to the non-leasable units, debt service payments have been missed and this loan will help assist in that.
  - Additionally, CHFA (partner in this project) has come together collaboratively and will put in additional funds as well to match DOH funds.
  - The Board was concerned that there were no operating reserves currently and felt that in order for this project to be successful after the remediation, DOH should consider funding an amount greater than the request to help establish the reserves.

**Staff Recommendation:** Full Funding with RLF,  
Interest rate of 1%, 7 year term

**Date of Meeting:** November 10, 2008

Anarde	Full Funding as Amended	Lucero	Full Funding as Amended
Gregory	Full Funding as Amended	Rosser	Absent
Hatcher	No Funding	Weitkunat	Full Funding as Amended
Kelly	Full Funding as Amended		

**The Board approved Full Funding as Amended for this project. The amendment in this approval is to authorize staff to fund between \$64,000 and \$85,000 from the Revolving Loan Fund to Fox Run Apartments LLLP under the condition in which the loan will fund the operating reserve and the grantee must continue to fund their operating reserve at \$300 per unit per year.**

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**The meeting adjourned at 3:57 pm**



# DECEMBER PRESENTATIONS

**Volunteers of America Colorado Branch**  
**VOA Living Center**

**Project Number: 07-054**

**Project Manager & Address:** Dianna Kunz, Director  
(303)297-0408  
(720)264-3306 Fax  
Volunteers of America Colorado Branch  
2660 Larimer Street  
Denver, CO 80205  
720-264-3320  
[dlkunz@voacolorado.org](mailto:dlkunz@voacolorado.org)

**Project Address:** 9901 E. Girard Ave, Denver, CO

**Project Description:** The VOA Living Center project is collaboration between Volunteers of America, Colorado Branch, and Volunteers of America, National Services. The project is a HUD 811 serving persons with disabilities, in this case primarily women with mental and physical disabilities, most of whom are  $\leq$  30% AMI. The HUD 811 provides a capital advance which is forgiven if the property remains affordable for 40 years. The project also provides an operating subsidy that allows tenants to pay no more than 30% of their income toward housing.

This project was previously awarded \$225,000 for construction costs. However, the Grantee was unable to purchase the land for the original site at 26<sup>th</sup>/Lawrence in Northeast Denver and has moved the project to a new location in southeast Denver, resulting in cost savings from cheaper land and lower construction costs.

The project is now located at 9901 E. Girard Avenue in southeast Denver. This infill development will be new construction of one two-story building on a vacant lot that includes 14 one-bedroom/one bath apartment units, and one two-bedroom/one bath manager's apartment unit. The building is organized with adjacent parking for the residents' convenience, safety and accessibility. The location is close to parks, a library, public transportation, a grocery store, and other retail. Amenities in the proposed building include a community room with a non-commercial kitchen, an entry/lobby lounge a TV Lounge which is also intended for use as an informal counseling space, a central laundry room and a management office.

<b>Type of Units</b>	<b># of Units</b>	<b>Income of Beneficiaries</b>
<b><u>HOME-Assisted Units</u></b> (2) 1BR	2	$\leq$ 50% of AMI (\$ <u>35,900</u> )
<b><u>Other Affordable Units</u></b> (12) 1BR,	12	$\leq$ 50% of AMI (\$ <u>35,900</u> )
<b><u>Manager's Unit</u></b> (1) 2 BR	1	<b>Unrestricted</b>
<b><u>Total Units</u></b>	<b>15</b>	

### PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Acquisition	265,800		265,800	HUD Amendment	pending
Appraisal & Market Study	3,800		3,800	HUD Amendment	pending
Architect/Engineering	214,045		214,045	HUD Amendment	pending
Building Permit & Tap Fees	107,200		107,200	HUD	committed
Construction	1,805,244	224,500	325,000	City of Denver	pending
			1,255,744	HUD	committed
Contingency	52,685		52,685	HUD	committed
Construction Loan Expenses	18,500		18,500	HUD	committed
Perm Loan Expenses	19,500		19,500	HUD	committed
Operating Reserve	0		0		
Developers Fee	0		0	HUD	committed
Marketing	5,000		5,000	HUD	committed
Project Management/Consultants	150,116		150,116	HUD	committed
Contingency	500	500	0		
Totals	2,642,390	225,000	2,417,390		

### PROJECT ASSESSMENT FOR Rental New Construction

Criteria	Project Data				CDOH Range
Building Cost					
Cost/Unit/Sq. Ft.	\$176,126	/Unit	\$244.55	/SF	\$120 to \$180
Hard Cost/Unit/Sq. Ft.	\$131,009	/Unit	\$181.91	/SF	\$95 to \$140
Soft Cost/Unit/Sq. Ft.	\$28,287	/Unit	\$39.28	/SF	\$25 to \$40
Land Cost/unit	\$16,830	/Unit			\$10,000 to \$18,000
Hard/Soft Cost	82%	Hard	18%	Soft	

Cost Effectiveness Rating			
CDOH subsidy/unit	\$15,000	/Unit	\$4,000 to \$10,000
Annual Cost/Person & Rating	\$2,747	2 yrs	1 to 10 Scale
Externality Rating	8	8	1 to 10 Scale
Rent Savings Rating	25% (FMR)	30% mkt rate 5	1 to 10 Scale
Financial Leveraging Rating	9.31%	9	1 to 10 Scale
Composite Score		24	1 to 40 Scale
Operating Cost			
PUPA	\$4,009		\$3,700 to \$4,700
Annual Replacement Reserve	\$398		\$300 (\$250 for seniors)
Debt Coverage Ratio	0	N/A	1.10 to 1.20
Capitalized Operating Reserve	0.00	N/A	4 months debt & operating costs
Financial Commitments			
Terms of Primary Financing	HUD 811	40 years	
P.V. Tax Credits			\$.75 to .90
Other Criteria			
Fully Accessible Units	# 1/ 5%		5% of Units Encouraged
Visitable Units	# 6/ 100%, plus community room, laundry, office, public restrooms		All units Encouraged
Energy Star Units	appliances: stoves, refrigerators, washer, dryer		Units Have Minimum 80 HERS Rating or equivalent
Water Efficient Landscape	pending		Denver Water Board Recommendation
30% AMI Units	#14/15, 85%		5% of Units Encouraged
CDOH requirements			
Priority	High Growth		
CDOH Eligibility Criteria	HOME, HDG		

## Comments:

### Management Capacity

**Pro** – The Volunteers of America, Colorado branch, has been in operation for more than 100 years. It provides food, clothing, shelter, employment and volunteer services through 30 programs and has extensive experience in working with homeless, elderly and special needs populations. VOA Colorado manages over 1000 housing units throughout Colorado at six sites, which includes 530 units of housing for elderly and disabled residents. Each of the elderly and disabled properties includes case management services, as well as recreation and leisure time activities.

**Con** – none.

### Public/Private Commitment

**Pro** – Projected financing for the VOA Living Center comes primarily from a HUD capital advance, for the Section 811 program (75%). The other sources will come from the City of Denver's HOME funds, CDOH, VOA's contribution which will likely seek a grant from FHLB.

**Con** – Due to it taking 1.5 years for the project to relocate, Grantee lost \$225,000 initially committed from Denver Department of Human Services for operating/ program costs. These funds will be recovered through an increase in the City of Denver's HOME funds, a guaranty from VOA Colorado Branch and a pending application to FHLB

### Market Demand

**Pro** – According to the Colorado Department of Human Services, 63,447 persons with a mental illness were served in Colorado in 2004. Currently, 17 HUD Section 811 projects exist in Denver containing 141 units. Average occupancy rates are 97.3 percent, with 55% of facilities have a waiting list.

**Con** – none.

### Explain Variances from ranges:

- Subsidy per unit costs is higher reflecting fewer economies of scale to produce a smaller number of units for a special needs population.
- Construction and hard costs are higher due to increased construction costs and raw materials costs associated with new construction (steel, concrete).

### Other Projects funded in Denver County since 11/07:

- 08-024 Rocky Mountain HDC/ Cornerstone Apts --\$500,000 grant
- 08-012 VOA/ Casa de Rosal --\$450,000 loan

### Other Projects funded for applicant since 11/07:

- Casa de Rosal --\$450,000 loan

Denver County AMI: \$71,800

**Staff Recommendation:** full funding to re-allocate existing award      **Date of Meeting:** 12/11/2008

Anarde		Lucero	
Gregory		Rosser	
Hatcher		Weitkunat	
Kelly			

# COLORADO DIVISION OF HOUSING \* HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: VOA Living Center

Spreadsheet directions are to the right ---->

Date: 12/2/2008

Applicant: VOA

PAGE #1

Spreadsheet Version:

Operating Proforma

STABILIZED FIRST YEAR INCOME						EXPENSES	
	% AMI	#of units	Sq. Ft.	Monthly Rent	Total Annual Rent	Administrative Expenses	
1 br	50%	14	507	357	59,976	Management Fee	3,000
2 br	mgr	1	686		0	On-site Personnel Payroll	4,205
					0	Health Ins. & Benefits	1,000
					0	Legal & Accounting	1,200
					0	Advertising	300
					0	Office Supplies	600
					0	Telephone	1,200
					0	Audit	1,000
					0	Other	1,000
					0	Total Administrative Expenses	13,505
					0	Operating Expenses	
					0	Utilities (owner paid)	21,000
					0	Trash Removal	2,500
					0	Fire & Liability Insurance	6,000
					0	Other	
					0	Total Operating Expenses	29,500
Total units		15	Total Rent Income		59,976	Maintenance	
Total sq ft		7,784				Maintenance	2,200
			Parking Income		0	Repairs	7,000
			Laundry Income		0	Grounds (inc. snow removal)	1,200
			Other Income		0	Other	760
			Total Income		59,976	Total Maintenance	11,160
Vac. Rate		0.07	Less Vacancy		-4,198	Real Estate Taxes	
			Effective Gross Income		55,778	Operating Reserve	
						Replacement Reserve	5,968
			DEBT SERVICE			TOTAL ANNUAL EXPENSES	60,133
			1st Mortgage		0	NET OPERATING INCOME	-4,355
			2nd Mortgage		0	P.U.P.A. Expenses *	4,009
			3rd Mortgage		0	* P.U.P.A = Per Unit Per Annum Expenses	
			TOTAL DEBT SERVICE		0	*Note:	
BEP		100.26%	Poss D/S @ 1.1 DCR		-3,959		
BEP = Break Even Point			Project Debt Coverage Ratio		#DIV/0!		

## **Colorado State Housing Board Policy**

(October 14, 2008)

### **Application "Minimum Criteria" Policy**

Whereas:

The Colorado State Housing Board's goal is to increase availability, affordability and long term sustainability of Colorado's affordable housing. This comports with its mission as described in the Colorado Revised Statutes, Section 24-32-702: "There exists in this State a need for additional adequate, safe, sanitary, and energy efficient new and rehabilitated dwelling units... for the public and statewide interest."

The Board meets this goal by funding a variety of affordable housing projects. However, the Board and Division of Housing anticipate more applications than can be fully funded.

Therefore, the Board has determined that minimum thresholds are a key factor in deciding whether to fund affordable housing projects. By implementing minimum thresholds the SHB will:

- A) Provide clarity for applicants through use of a standard for reviewing the competitive qualifications of a potential project.
- B) Improve the quality of projects funded.
- C) Improve the overall housing program for the State.
- D) Lend greater consistency and predictability to the process.

In order to be considered for funding, (defined as entering the underwriting process), minimum thresholds must be met; including a completed application that demonstrates project readiness as defined below. Incomplete applications may be resubmitted upon completion. DIVISION OF HOUSING staff is encouraged to work with developers to fully understand these requirements before and during the application process.

Therefore, the Board requests the Division of Housing require the following criteria be met before considering a project or bringing it to the Board for approval:

- A) Demonstrate need by means of:
  - 1) Third party market study, or
  - 2) Local housing needs assessment and strategic plan, or
  - 3) Local government supporting documentation substantiates the need and expressing support for the proposal.
- B) Administrative Capacity: Adequate overall management capability for both for-profit and non-profit organizations as demonstrated by:
  - 1) No unresolved audit findings.

- 2) Federal regulation and reporting ability.
    - a. Evidence of experience Davis Bacon Wages.
    - b. Section 3 MBE/WBE.
    - c. Fair Housing.
    - d. Uniform Location.
    - e. Lead Based Paint.
  - 3) Property Management Experience.
    - a. Experience with rents and affordable housing property management.
    - b. Tax Credit compliance (if applicable).
  - 4) Applicant Monitoring Record.
    - a. Monitoring finding resolution for onsite visits.
    - b. Issues with quarterly compliance reports have been resolved.
  - 5) Applicant reporting and pay requests are timely and accurate.
    - a. Applicant is current with all Division of Housing required reporting.
    - b. Pay requests must be timely, accurate, and current before processing a new grant.
  - 6) Previous project experience not required, but additional information will be requested.
- C) Completed Application
- 1) Public hearing completed.
  - 2) Documents signed.
  - 3) Required documents submitted.
  - 4) Complete projects budget with sources and uses.
  - 5) All documents on the checklist completed.
- D) Project Readiness to Proceed
- 1) Third party capital needs assessment (rehabilitation projects).
  - 2) Confirmed local political support (letter).
  - 3) Local financial support.
  - 4) Planning and zoning approval.
  - 5) All other funds committed.
  - 6) Construction and/or acquisition start date.
  - 7) Construction cost estimate (new construction projects).
  - 8) Relocation and/or replacement housing needed.
- E) Energy Performance Standard Policy (Pending 12/09)
- F) Project Affordability Period Policy (10/07)
- G) Consolidated Action Plan Annual Funding Priorities Policy (Pending 12/09)

Variance: If application "minimum criteria" is not met, information concerning the deficient criteria must be included in the project Pro/Con presented to the State Housing Board for review prior to funding recommendation.

## **Colorado State Housing Board Policy**

October 14, 2008

### **Competitive Application Cycle Policy**

The Colorado State Housing Board and Division of Housing believe that in order to create and sustain affordable housing a competitive application cycle should be developed. As stated in the Colorado Revised Statutes, Section 24-32-702: “There exists in this State a need for additional adequate, safe, sanitary, and energy efficient new and rehabilitated dwelling units... for the public and statewide interest.”

Whereas:

The Board's goal is to increase affordability and long-term sustainability of Colorado's affordable housing. We believe we have come into a time where limited resources demand that we prioritize funding of projects; therefore, it is important that the Board establish a competitive application cycle policy that will allow for the direct comparison of programs, developments and agencies to ensure that the projects with the best merits will be funded. By implementing a competitive application cycle the Board will:

- A) Create greater accountability,
- B) Create greater credibility in the public/private realm,
- C) Create greater transparency,
- D) Adjust to changing market trends,
- E) Clearly define the Board's direction with Stakeholders,
- F) Lend a greater consistency and predictability to the process and
- G) Become more conscious of allocation of staff time and resource

Therefore, the Board has requested the Division of Housing staff to establish a competitive application cycle that best suits the various programs being administered and to take into consideration other funding sources that are provided to affordable housing projects. At the staff's recommendation, the following timing of applications will be implemented:

<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
DPA	REN	SPEC	CHDO	REN	OWN	REHAB	REN	SPEC	CHDO	REN	OWN

#### **Acronym Key:**

DPA = Down Payment Assistance Programs.

REN = Rental Development Projects (new construction, acquisition, rehabilitation of existing structures, etc.).



SPEC = Special Needs Housing Projects (shelters, seniors, disabled, transitional, etc.).  
CHDO = Community Housing Development Organization (operating funds).  
OWN = Homeownership Programs (land trusts, self-help, subdivisions, etc.).  
REHAB = Single Family Owner Occupied Rehabilitation Programs.

The Federal funding amounts to be distributed annually (at each cycle?) will be determined by the Board and the Division of Housing staff.

Variance: Applications may be considered outside of the regular cycles based on urgency or emergency situations as reviewed by staff.

## **Colorado State Housing Board Policy**

October 14, 2008

### **Consolidated Action Plan Annual Funding Priorities**

The Colorado State Housing Board and Division of Housing believe that the Consolidated Action Plan (the Plan) should be utilized to set annual funding priorities in creating and maintaining affordable housing. As stated in the Colorado Revised Statutes, Section 24-32-702: "There exists in this State a need for additional adequate, safe, sanitary, and energy an efficient new and rehabilitated dwelling unit... for the public and statewide interest."

Whereas:

The Board's goal is to increase affordability and long-term sustainability of Colorado's affordable housing. We believe we have come into a time where Limited resources demand that we prioritize funding of projects; therefore, it is important that the Board establish a policy to utilize the Consolidated Action Plan to set its annual funding priorities.

Therefore, to better educate, inform and gain input from Board members, each January a summary of the Plan and its annual priorities will be presented to the Board during the comment period.

The Board will insure that projects recommended for funding will meet at least one of the strategies set forth in the most current Consolidated Action Plan. By doing so the SHB will:

- A) Create greater accountability,
- B) Create greater credibility in the public/private realm,
- C) Create greater transparency,
- D) Adjust to changing market trends,
- E) Clearly define the SHB direction with Stakeholders,
- F) Lend a greater consistency and predictability to the process and
- G) Become more conscious of allocation of staff time and resources.

## **Colorado State Housing Board Policy**

October 14, 2008

### **Energy Standards Policy**

The Colorado State Housing Board and Division of Housing believe that energy efficiency is a key factor in creating and maintaining affordable housing. As stated in the Colorado Revised Statutes, Section 24-32-702: “There exists in this State a need for additional adequate, safe, sanitary, and energy efficient new and rehabilitated dwelling units... for the public and statewide interest.”

Whereas:

The Board’s goal is to increase affordability and long-term sustainability of Colorado’s affordable housing. We believe that developing energy efficient affordable housing will decrease energy consumption and will have environmental benefits.

Therefore, the Board hereby adopts the following energy-efficiency standard. State-assisted facilities as defined in Colorado Revised Statutes (C.R.S.) 24-32-1301 are required to meet one of the following standards and perform a life-cycle cost analysis in compliance with C.R.S. 24-30-1305. The Board may approve an alternate standard or waive energy-efficient standards for just cause.

### **Energy-Efficient Standards of the State of Colorado**

Shall substantially meet the following:

1. Enterprise Community Partners, Green Communities Criteria 2008 or later (residential only)
2. U.S. Environmental Protection Agency, Energy Star New Homes
3. U.S. Green Building Council;
  - a. LEED for New Construction & Major Renovations, Version 2.2 or later
  - b. LEED for Existing Buildings, Version 2.0 or later
  - c. LEED for Homes, Pilot Version 1.72 or later
4. Low-Water Landscaping (e.g. Denver Water Board Standards)
5. Other Comparable Standards

SHB Budget Reports					
Month of: December 09, 2008					
HOME PROGRAM FUNDING					
<b>08-09 HOME Funds Allocation</b>					
	Total HOME Allocation (HUD)	\$7,318,011	\$7,262,808.00	\$55,203.00	Total HOME ALLOCATION awarded by HUD
	Admin. 10%	\$726,281			State's portion of Administrative funds for internal staff
	CHDO Reserve (CR) 15%	\$1,089,421			Project Grants to CHDOs
	CHDO Operating (CO) 5%	\$363,140			Operating Grants to CHDOs
	Regular (EN) Remaining	\$5,083,966			Grants / Loans for projects
	ADDI	\$55,203			American Dream Downpayment
<b>HOME REGULAR FUNDS</b>					
	Previous years of Monies Carried Forward		0.00		Will deobligate \$211,320 from contract #06-068C and #06-017
	2008 Award (4/01/2008 - 3/31/2009)		\$5,083,966		
	2008 ADDI (4/01/2008 - 3/31/2009)		\$55,203		
	Initial Balance		\$5,139,169		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
05-052	Loveland/SFOO	\$375,000.00		5/10/05	
06-019	DHA/Lincoln Park	\$94,500.00		11/8/05	
06-068	HRWC/DPA	\$47,680.00		6/22/07	
07-007	Habitat for Humanity	\$550,000.00		8/8/06	
07-017	Adams County HA	\$260,180.00	\$47,535.00	10/10/06	
07-018	Longmont HA	\$267,944.00	\$48,734.00	10/10/06	
07-020	Colorado Spring HA	\$364,009.00	\$69,258.00	10/10/06	
07-021	Fort Collins HA	\$747,130.00	\$140,387.00	10/10/06	
07-022	City and County of Broomfield	\$313,700.00	\$58,192.00	10/10/06	
07-025	Accessible Space, Inc.	\$500,000.00		5/8/07	
07-036	LHA/Briarwood	\$136,290.00	\$11,790.00	1/9/07	
07-054	VOA/Lawrence	\$225,000.00		12/9/08	Will be presented at the December SHB meeting
07-078	Greeley Supportive Housing	\$485,000.00	\$485,000.00	8/14/07	
08-014	Pueblo/Bethlem Apts	\$250,000.00	\$216,091.00	10/9/07	
08-015	Douglas County Housing Partnership	\$580,000.00	\$547,319.76	10/9/07	
08-019	CHAC - DPA	\$662,760.00		10/9/07	
08-024	RMHDC/Cornerstone**	\$213,759.00	\$213,759.00	1/8/08	
08-027	Pueblo HA/Ashwood	\$300,000.00	\$300,000.00	12/11/07	
08-028	HA of the city of Englewood	\$300,000.00	\$300,000.00	1/8/08	
08-036	Douglas County DPA	\$400,000.00	\$399,500.00	2/12/08	
08-037	Brothers/Fairweather	\$400,000.00	\$400,000.00	2/12/08	Might Relinquish Funds
08-051	DHA/Park Ave Block 4B	\$705,500.00		05/13/2008	In negotiations
	<b>Remaining Balance</b>		<b>\$1,901,603.24</b>		
<b>HOME CHDO Operating</b>					
	Previous years of Monies Carried Forward		0.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$363,140.00		
	Initial Balance		\$363,140.00		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
07-067	RMCLT #3674	\$ 45,000.00	\$29,245.24		
08-008	Longmont HA #3965	\$ 75,000.00	\$75,000.00		
08-040	Partners In Housing #3926	\$ 62,500.00	\$62,500.00		Reviewed by staff during April Pro/Con meeting
08-046	Greccio Housing	\$ 50,000.00	\$50,000.00		Reviewed by staff during April Pro/Con meeting
09-018	Posada	\$25,000.00	\$25,000.00		Reviewed by staff during November Pro/Con meeting
09-019	Northeast Denver Hsg Cntr	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
09-022	Hope Communities	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
09-023	Growing Homes, Inc.	\$25,000.00	\$25,000.00		Reviewed by staff during November Pro/Con meeting
09-024	Newsed CDC	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
09-025	Thistle Community	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
09-026	Rocky Mnt HDC	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
09-027	Del Norte	\$16,000.00	\$16,000.00		Reviewed by staff during November Pro/Con meeting
	<b>Remaining Balance</b>		<b>\$394.76</b>		

SHB Budget Reports					
Month of: December 09, 2008					
<b>HOME CHDO RESERVE</b>					
	Previous years of Monies Carried Forward		0.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$1,089,422.00		
	Initial Balance		\$1,089,422.00		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
06-072C	Huerfano/Las Animas Hsg Resourc	20,000.00	5,635.00	7/11/06	
06-075C	Tri-county Housing #3356	527,000.00	83,337.00	8/8/06	
07-047C	RMCLT #3473	191,250.00	102,500.00	4/10/07	
07-064C	Colorado Coalition for Hmls #3648	1,000,000.00	0.00	7/10/07	
08-007C	Longmont HDC #3930	\$400,000.00	\$134,122.00	9/11/07	
08-023C	Thistle/Cannery #3933	\$750,000.00	\$750,000.00	3/11/08	
	<b>Remaining Balance</b>		<b>13,828.00</b>		
<b>HOME - PROGRAM INCOME (748/Appr 690 HOME Program Income)</b>					
	Previous years of Monies Carried Forward		265,162.78		Payment received by CDOH for Loans funded with HOME monies
	2008 Award (4/01/2008 - 3/31/2009)		\$23,642.91		
	Initial Balance		\$288,805.69		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
08-039T	LongmontHA/DPA	\$112,054.00	\$112,054.00	2/12/08	
	<b>Remaining Balance</b>		<b>176,751.69</b>		

SHB Budget Reports					
Month of: December 09, 2008					
CDBG PROGRAM FUNDING					
08-09 CDBG Funds Allocation					
	Total CDBG Allocation (HUD)	\$10,546,315			Total HOME ALLOCATION awarded by HUD Split between 3 divisions
	Admin. 3% + \$100,000	\$416,389			State's Administrative funds for internal staff split between 3 divisions
	Division of Housing Grants	\$3,376,642			Housing Grants / Projects
	Field Services Grants	\$3,376,642			Local Government Grants / Projects
	Economic Development Grants	\$3,376,642			Economic Development Grants / Projects
CDBG PROJECT FUNDS - HOUSING					
	Previous years of Monies Carried Forward		6,183,901.53		
	2008 Award (4/01/2008 - 3/31/2009)		\$3,376,642		
	Initial Balance		\$9,560,544		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
07-044G	Larimer County #3640	\$214,653.00	\$122,500.00		ESG / CDBG contract approved by Lynn Shine
07-061G	City of Delta HA - DPA #3862, #3927	\$46,730.00	\$46,730.00	11/13/07	
07-062G	Monte Vista	\$265,000.00		01/08/08	
07-063G	City of Durango SW Safehouse Audit #3902	\$175,000.00	\$175,000.00	11/13/07	
07-065G	Walsenburg HA - HLAHR	\$104,500.00		03/11/08	
08-040G	City of Delta HA/Villas at the Buffs #3888	\$750,000.00	\$750,000.00	02/12/08	
08-041G	Town of Windsor - NA #3911	\$34,850.00	\$34,850.00		
08-042G	LongmontHA/DPA	\$0.00		02/12/08	
08-043G	Town of Fowler/TCHCDC - DPA	\$61,880.00	\$61,880.00	04/08/08	
08-044G	Larimer County HHS (ESG)	\$98,300.00	\$98,300.00		ESG / CDBG contract approved by Lynn Shine
08-045G	Weld Cnty HA	\$68,000.00	\$68,000.00		ESG / CDBG contract approved by Lynn Shine
08-046G	City of Alamosa (ESG)	\$51,000.00	\$51,000.00		ESG / CDBG contract approved by Lynn Shine
08-047G	Pueblo Cnty Gov. (ESG)	\$59,281.00	\$59,281.00		ESG / CDBG contract approved by Lynn Shine
08-048G	Montrose County HA - Sunshine	\$500,000.00	\$500,000.00	04/08/08	
08-049G	Town Fowler/TCHCDC - REHAB #3925, #3924, #392	\$449,110.00	\$449,110.00	06/10/08	
08-050G	Town of Fowler/TCHCDC - NA #3905	\$25,000.00	\$25,000.00		
08-051G	Arkansas Housing Develop. Corp	\$372,080.00	\$372,080.00	06/10/08	
08-052G	Grand County HA #3906	\$160,926.00	\$160,926.00	06/10/08	
08-053G	Larimer County	\$738,600.00	\$738,567.08	05/13/08	
08-054G	San Juan Cnty / HSSW #	\$90,194.00	\$90,194.00		
08-055G	Yampa Valley HA	\$52,400.00	\$52,400.00		Reveiwed by Staff during June Pro/Con Meeting
08-056G	Las Animas County DPA	\$42,100.00	\$42,100.00	09/09/08	
08-057G	HA of the City of Trinidad	\$45,000.00	\$42,118.91	09/09/08	
08-058G	Montrose County HA - NA	\$40,000.00	\$40,000.00		
08-059G	Montrose County HA - VOA	\$571,696.00	\$571,696.00	09/09/08	
08-060G	Gunnison County	\$70,000.00	\$70,000.00		
08-061G	Town of Carbondale HA-Crystal Meadows	\$225,000.00	\$225,000.00	09/09/08	
08-062G	Summit Combined HA	\$45,960.00	\$45,960.00	09/09/08	
08-063G	Upper Arkansas UAA DC (REHAB)	\$171,350.00	\$171,350.00	07/08/08	
08-064G	Upper Arkansas COG	\$78,050.00	\$78,050.00		
08-065G	Alamosa County - N/A	\$100,000.00	\$65,675.20		
08-066G	HA city of Loveland	\$202,700.00	\$202,700.00	07/08/08	
08-067G	Huerfano	\$350,000.00	\$350,000.00	11/10/08	
08-068G	Otero	\$275,000.00	\$275,000.00	11/10/08	
08-069G	Crowley	\$93,000.00	\$93,000.00	11/10/08	
08-070G	San Juan/HSSW - REHAB	\$144,742.00	\$144,742.00	11/10/08	
09-012	Conejos	\$265,000.00			
09-011	Montezuma	\$950,000.00		11/10/08	
09-017	Chaffee Cnty - Operating	\$50,000.00			Reveiwed by Staff during November Pro/Con Meeting
09-020	Tri-Cnty Hsg & Comm Develop	\$62,700.00			
	Remaining Balance		3,287,333.34		

SHB Budget Reports					
Month of: December 09, 2008					
HDG PROGRAM FUNDING					
<b>08-09 HDG Funds Allocation</b>					
	Total HDG Allocation (General Fund)	\$2,225,000			Total HDG ALLOCATION awarded by General Fund
<b>HDG</b>	<b>Fund 291</b>				
	Previous years of Monies Carried Forward		0.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$2,225,000		
	Initial Balance		\$2,225,000		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
07-027	NDHC/La Grace	\$428,419.00	\$482,419.00	12/12/06	
08-021	Arapahoe/Douglas NA	\$54,500.00	\$54,500.00		
08-035	RMHDC/Sheridan Ridge	\$275,000.00	\$275,000.00	2/12/08	
08-049*	Thornton - Needs Assessment	\$50,000.00	\$50,000.00		Reveiwed by Staff during June Pro/Con Meeting
08-058*	BPU - Needs Assessment	\$38,750.00	\$38,750.00		
	<b>Remaining Balance</b>		<b>1,324,331.00</b>		
RLF HOME INVESTMENT TRUST FUND					
<b>08-09 RLF Funds</b>					
	Total HDG Allocation (General Fund)	\$2,225,000			Payment received by CDOH for Loans
<b>RLF HOME INVESTMENT TRUST FUND (746 State Program Income)</b>					
	Previous years of Monies Rollover		1,520.00		
	Existing Balance in Fund		\$1,908,634		
	Initial Balance		\$1,910,154		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
07-027	Northeast Denver Housing	\$428,419.00		12/12/2006	
08-012	VOA Casa De Rosal	\$450,000.00	\$450,000.00	6/10/2008	
	<b>Remaining Balance</b>		<b>1,460,153.54</b>		
EIAF FUND					
<b>08-09 EIAF Funds</b>					
	Total EIAF Allocation				Energy Impact Assistance Fund Allocation funded by General Fund
<b>EIAF FUND</b>					
	Previous years of Monies Rollover		1,350,000.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$40,000		
	Initial Balance		\$1,390,000		
Proj#	Name	Award Amt	Current Funds	SHB Date	Notes
08-017	Grand Junction HA	\$1,100,000.00	\$1,100,000.00	2/12/2008	
08-034	Delta HA/Villas as the Bluffs	\$250,000.00	\$250,000.00	2/12/2008	
09-016	Pueblo Cnty Dept of H & H Srvcs	\$40,000.00	\$40,000.00		Pending EIAF Funding Decision - Staff Reviewed 11/2008
	<b>Remaining Balance</b>		<b>0.00</b>		

SHB Budget Reports					
Month of: December 09, 2008					
FORECLOSURE PREVENTION FUND					
<b>08-09 Foreclosure Prevention Funds</b>					
	Total Foreclosure Prevention Allocation				Foreclosure Prevention Fund Allocation funded by General Fund
<b>Foreclosure Prevention Outreach - General Fund Housing Bill 1402 (education) H9SPG09-XXX</b>					
	Previous years of Monies		0.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$100,000		
	Initial Balance		\$100,000		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
09-030	Consumer Credit Counseling Svc	\$23,000.00	\$23,000.00	10/14/2008	
09-031	Adams County HA	\$45,000.00	\$45,000.00	10/14/2008	
09-032	Del Norte	\$15,000.00	\$15,000.00	10/14/2008	
09-033	Boulder County HA	\$17,000.00	\$17,000.00	10/14/2008	
	<b>Remaining Balance</b>		0.00		
<b>Foreclosure Prevention - General Fund (operations of foreclosure hotline)</b>					
	Previous years of Monies		29,500.00		
	2008 Award (4/01/2008 - 3/31/2009)		\$150,000		
	Initial Balance		\$179,500		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
	<b>Remaining Balance</b>		179,500.00		
<b>NEIGHBORHOOD STABILIZATION FUND (NSP)</b>					
<b>08-09 Neighborhood Stabilization Funds</b>					
	Total Neighborhood Stabilization Allocation				NSP \$34,013,566 - State & \$3,904,989 - Colorado Springs
<b>CDBG - Neighborhood Stabilization Program - GRANTS</b>					
	2008 Award (STATE)		34,013,566.00		
	2008 Award (COLORADO SPRINGS)		\$3,904,989		
	Initial Balance		\$37,918,555		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
	<b>Remaining Balance</b>		37,918,555.00		
<b>CDBG - Neighborhood Stabilization Program - ADMIN</b>					
	2008 Award (STATE)		3,791,855.00		
	2008 Award (COLORADO SPRINGS)		\$0		
	Initial Balance		\$3,791,855		
<b>Proj#</b>	<b>Name</b>	<b>Award Amt</b>	<b>Current Funds</b>	<b>SHB Date</b>	<b>Notes</b>
09-028	RMCLT	\$45,000.00	\$45,000.00		
	<b>Remaining Balance</b>		3,746,855.00		